

INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-10-0921-2800  
ELECTIONS: CBM Unit F-37  
(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on April 28, 2011 and recorded as Instrument No. 110001212 in the Office of the Clerk of the Circuit Court for Buchanan County, Virginia on May 20, 2011 (herein "Board Order") and (2) to complete the record regarding elections. The Board Order established a drilling unit and pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
  - (a) The Board Order directed GeoMet Operating Company, Inc. (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;
  - (b) The Designated Operator, through its agent S.T. Mullins, Esquire, filed its affidavit of mailing dated June 10, 2011, disclosing that it

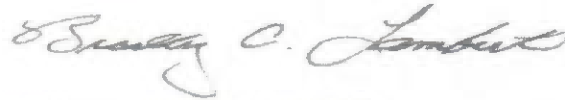
had mailed a correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated April 26, 2015, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;
  - (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, The First Bank and Trust Company, 38 East Valley Street, Bristol, Virginia 24201; Telephone: (276) 466-9222 Attn: Kenneth Lovelace, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated July 18, 2006. The Affidavit of Elections indicates that the escrow of funds is **required** with regard to Well No. F-37 CBM Unit.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
  4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Supplemental Order stating that a true and correct copy of this Supplemental Order was mailed within seven (7) days from the date of

receipt of this Supplemental Order to each Respondent whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
6. Effective Date: This Amended Supplemental Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

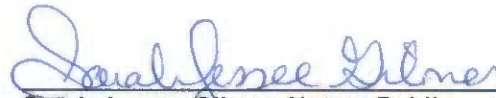
DONE AND EXECUTED this 12 day of May, 2015 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 12<sup>th</sup> day of May, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public  
262946



My Commission expires: July 31, 2017

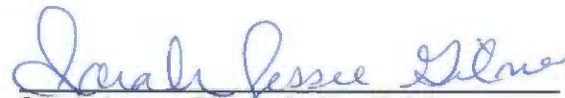
DONE AND PERFORMED this 13 day of May, 2015 by Order of the Virginia Gas and Oil Board



Rick Cooper  
Principal Executive to the  
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 13<sup>th</sup> day of May, 2015, personally before me a notary public in and for the Commonwealth of Virginia, appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.



Sarah Jessee Gilmer, Notary Public  
262946



My Commission expires: July 31, 2017

**VIRGINIA:*****BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of GeoMet Operating Company, Inc. for the Forced Pooling of Interests in CBM Unit F-37, Docket No. VGOB-10-0921-2800 in the Garden District, Patterson Quadrangle, Buchanan County, Virginia.

**AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER**

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on April 28, 2011, by the Virginia Gas and Oil Board regarding the captioned coalbed methane gas unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed and recorded copy of the Order referred to at Paragraph 2, above, Designated Operator was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
5. That the Designated Operator has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any,



made with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

NONE

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, as unknown or unlocatable:

See Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

NONE

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

NONE

9. That the Respondents identified in Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective coalbed methane rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated April 28, 2011:

See Exhibit B-3

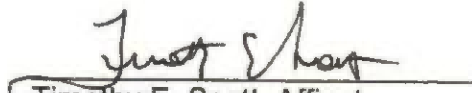
10. The Designated Operator requests that the following persons be dismissed as Respondents:

NONE

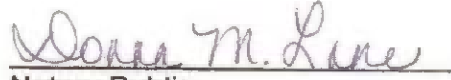
That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed amended

supplemental order sets forth that the services of the Escrow Agent **are required** in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 26<sup>th</sup> day of April, 2015.

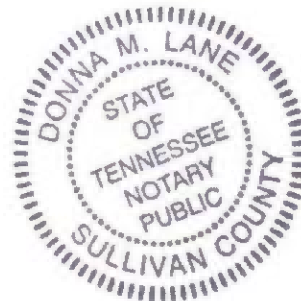
  
Timothy E. Scott, Affiant

Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for GeoMet Operating Company, Inc., on behalf of the corporation, this 26<sup>th</sup> day of April, 2015.

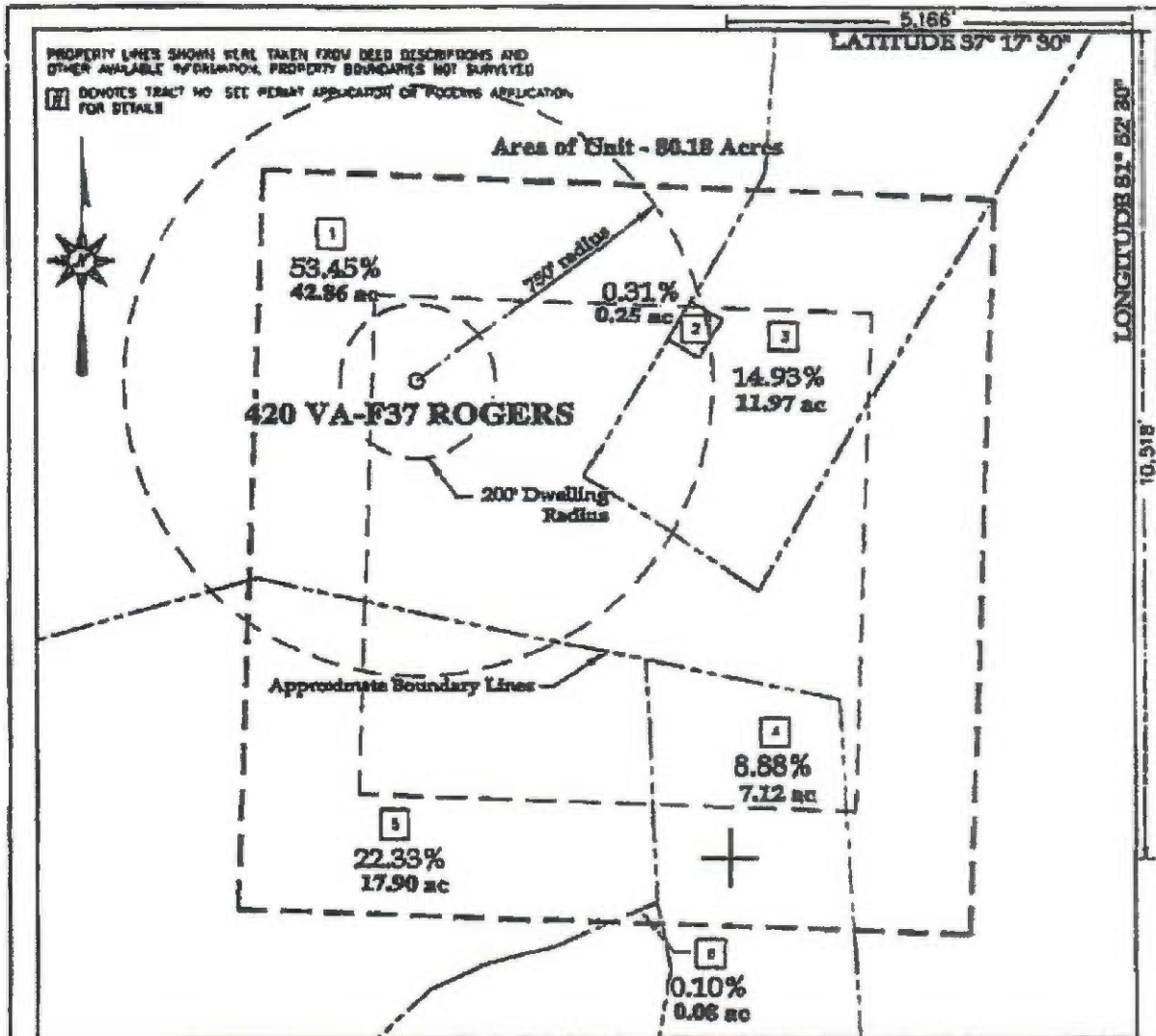
  
Notary Public

My commission expires: 7-8-2017

[f:\msword2000\atlas 2015\pooling.F-36.supporder&aff amended]



"EXHIBIT A"



## WELL LOCATION PLAT

COMPANY: GEOMET OPERATING COMPANY WELL NAME OR NUMBER: 420 VA-F37 ROGERS

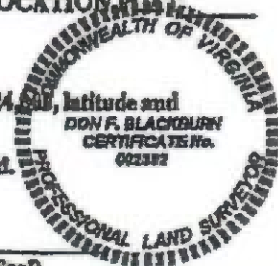
TRACT NUMBER: LBR HOLDINGS, LLC (TR-70) SCALE: 1" = 400' DATE: 8/10/10

COUNTY: BUCHANAN DISTRICT: GARDEN QUADRANGLE: PATTERSON

THIS IS A NEW PLAT \_\_\_\_\_; AN UPDATED PLAT \_\_\_\_\_; OR A FINAL LOCATION PLAT \_\_\_\_\_

POOLING PLAT x

- + Denotes the location of a well on United States Topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.
- Denotes approximate proposed well location. Coordinates yet to be determined.



Form DGO-GO-7  
Rev. 1/78

Licensed Professional Engineer or Licensed land surveyor (Add Seal)



150000882

Well Name : 420 VA-F37 ROGERS

Pooling Plat Attachment A

Plat Tract Number	Owners	Percentage Ownership
1.) <u>70</u>	<u>DTU-52 LBR Holdings, LLC</u>	<u>42.86 ac. ~ 53.45% of 80.18 ac.</u>
2.)	<u>around LBR Tracts 70 Buchanan County Public Schools / Luther &amp; Ola Mae Davis</u>	<u>0.25 ac. ~ 0.31% of 80.18 ac.</u>
3.)	<u>DTU-102 N. J. Cole Heirs</u>	<u>11.97 ac. ~ 14.93% of 80.18 ac.</u>
4.)	<u>DTU-103 Ruby S. Minton et al.</u>	<u>7.12 ac. ~ 8.88% of 80.18 ac.</u>
5.)	<u>DTU-107 Celia Compton Estate</u>	<u>17.90 ac. ~ 22.33% of 80.18 ac.</u>
6.)	<u>DTU-109 Alta Stanford et al.</u>	<u>0.08 ac. ~ 0.10% of 80.18 ac.</u>

Location Description: 4.31 Miles southeast of State Route 640 jct. W/ State Route 83  
and 2.75 miles northeast of State Route 640 W/State Route 638.

EXHIBIT B-3  
PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR  
ROGERS 420-CBM UNIT F-37  
VGOB DOCKET NO. 10-0921-2800

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Coal Estate Only				
<u>Tract 2</u> (0.31%)	Buchanan County Public Schools P.O. Box 833 Grundy, VA 24614	Unleased		
			0.310000%	0.248558
		Subtotal Tract 2	0.310000%	0.248558
<u>Tract 3</u> (14.83%) NJ Cole Tract	Gaynelle Cole 1206 Erie Lane Elizabethton, TN 37643		1.866250%	1.496359
	Franklin D. Cole 203 Autumn Oaks Drive Kodak, TN 37764		1.866250%	1.496359
	Dorothy D. Cole Hill 4544 Spring Garden Road Chatham, VA 24531		1.866250%	1.496359
	Virginia Mae Cole Rosser 4721 Spring Garden Road Chatham, VA 24531		1.866250%	1.496359
	Robert J. Mullins HC 67 Box 210 Pilgrims Knob, VA 24634		1.493000%	1.197087
	Paul Quincy Cole 1011 Highway Drive Pilgrims Knob, VA 24634		1.493000%	1.197087
	Jack Cole 1034 Highway Drive Pilgrims Knob, VA 24634		1.493000%	1.197087
	Tony Cole 2029 Left Fork Road Pilgrims Knob, VA 24634		1.493000%	1.197087

EXHIBIT B-3  
 PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR  
 ROGERS 420-CBM UNIT F-37  
 VGOB DOCKET NO. 10-0921-2800

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	George K. Read 1058 Left Fork Rd. Pilgrims Knob, VA 24634		1.493000%	1.197087
		Subtotal Tract 3	14.930000%	11.970874
<u>Tract 4</u> (8.88%)	Ruby Stiltner Minton P.O. Box 35 Grundy, VA 24614		0.592000%	0.474666
	Betty Flo S. Raines P.O. Box 949 Grundy, VA 24614		0.592000%	0.474666
	Arden H. Stiltner 2100 Lockhaven Dr. Roanoke, VA 24019		0.592000%	0.474666
	Louise S. Sawyers Heirs, Assigns, or devisees 1190 Meadow Knoll Court Batavia, OH 45103		0.592000%	0.474666
	Jeanne S. Provost Rt. 1 Box 180A Jarrell, TX 76537		0.197333%	0.158222
	Patsy S. Ratliff 20509 Blue Spruce Rd. Bristol, VA 24202		0.197333%	0.158222
	Neve Jo Lambert 201 West Cedar St. Bristol, TN 37620		0.197333%	0.158222
	Willie Ann Houghes 877 Stonegate Ct. Salem, VA 24153		1.480000%	1.186664
	Virginia Germaine McClanahan 1076 Stonegate Court Salem, VA 24153		1.480000%	1.186664

EXHIBIT B-3  
 PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR  
 ROGERS 420-CBM UNIT F-37  
 VGOB DOCKET NO. 10-0921-2800

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	William Burns Dennis 1810 NE 41st St. Oakland Park, FL 33308		1.480000%	1.186664
	Robert Jordan Dennis 23007 Kestrel Dr. Bristol, VA 24202-5081		1.480000%	1.186664
	LEASED: 100% coal underlying Tiller Island Creek Coal Company P.O. Drawer L Oakwood, VA 24631			
	Subtotal Tract 4		8.880000%	7.119984
<u>Tract 5</u> (22.33%) Celia Compton	Celia Compton Trust Lodge Compton and William Blake Compton, Trustees P.O. Box 241 Grundy, VA 24614		22.330000%	17.904194
	LEASED: 100% of Jawbone and Above Jewell Ridge Coal Corporation Attn: B. Weaver P.O. Box 70 Vansant, VA 24656			
	100% coal underlying Tiller Island Creek Coal Company P.O. Drawer L Oakwood, VA 24631			
	Subtotal Tract 5		22.330000%	17.904194
<u>Tract 6</u> (0.10%)	Billy Gene Stanford 1215 Motor View Rd. Butte MT 59701		0.014286%	0.011454
	Brian Stanford 345 Indian Valley Rd. Radford, VA 24141		0.003571%	0.002864
	Keith Stanford 2348 Mob Creek Rd. Bedford, VA 24523		0.003571%	0.002864

**EXHIBIT B-3**  
**PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR**  
**ROGERS 420-CBM UNIT F-37**  
**VGOB DOCKET NO. 10-0921-2800**

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Bonnie Fritz (Address Unknown)		0.003571%	0.002864
	Troy Stanford, Jr. 11189 Cindale Dr. Smithfield, VA 24340		0.003571%	0.002864
	Wanda McClenny 214 North Highway 175-48 Seagoville, TX 75159		0.014286%	0.011454
	Dorothy Mae Stanford Horn 2577 Baptist Valley Rd. Cedar Bluff, VA 24609		0.014286%	0.011454
	Rodney Dean Stanford 6349 Decliff Big Island Marion, OH 43301		0.014286%	0.011454
	Robert James Stanford 138 Crown St. Pounding Mill, VA 24637		0.014286%	0.011454
	Ricky Allen Stanford 2577 Baptist Valley Rd. Cedar Bluff, VA 24609		0.014286%	0.011454
	LEASED: Jawbone Seam Buchanan Minerals, Inc.			
		Subtotal Tract 6	0.100000%	0.080180

**COAL ESTATE**

Percentage Unleased by Applicant	46.550000%
Acorage Unleased by Applicant	37.323790



EXHIBIT B-3  
PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR  
ROGERS 420-CBM UNIT F-97  
VGOB DOCKET NO. 10-0921-2800

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
Gas Estate Only				
<u>Tract 2</u> (0.31%)	Buchanan County Public Schools P.O. Box 833 Grundy, VA 24614	Unleased		
			0.310000%	0.248558
		Subtotal Tract 2	0.310000%	0.248558
<u>Tract 4</u> (8.88%)	Willie Ann Houghes 877 Stonegate Ct. Salem, VA 24153	Appalachian Energy - Gas, Oil, CBM	1.480000%	1.186664
		Subtotal Tract 4	1.480000%	1.186664
<u>Tract 5</u> (22.33%)	Celia Compton Trust Lodge Compton and William Blake Compton, Trustees P.O. Box 241 Grundy, VA 24614	Appalachian Energy - Gas, Oil, CBM	22.330000%	17.904194
		Subtotal Tract 5	22.330000%	17.904194
<u>Tract 6</u> (0.10%)	Billy Gene Stanford 1215 Motor View Rd. Butte MT 59701	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454
	Brian Stanford 345 Indian Valley Rd. Radford, VA 24141	Appalachian Energy - Gas, Oil, CBM	0.003571%	0.002864
	Keith Stanford 2348 Mob Creek Rd. Bedford, VA 24523	Appalachian Energy - Gas, Oil, CBM	0.003571%	0.002864
	Bonnie Fritz (Address Unknown)		0.003571%	0.002864
	Troy Stanford, Jr. 11189 Cindale Dr. Smithfield, VA 24340	Appalachian Energy - Gas, Oil, CBM	0.003571%	0.002864
	Wanda McClerny 214 North Highway 175-48 Seagoville, TX 75159	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454

150000882

EXHIBIT B-3  
 PARTIES WHO HAVE NOT REACHED AN AGREEMENT WITH OPERATOR  
 ROGERS 420-CBM UNIT F-37  
 VGOB DOCKET NO. 10-0921-2800

<u>TRACT</u>	<u>OWNER</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	Dorothy Mae Stanford Hom 2577 Baptist Valley Rd. Cedar Bluff, VA 24609	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454
	Rodney Dean Stanford 6349 Decliff Big Island Marion, OH 43301	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454
	Robert James Stanford 138 Crown St. Pounding Mill, VA 24637	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454
	Ricky Allen Stanford 2577 Baptist Valley Rd. Cedar Bluff, VA 24609	Appalachian Energy - Gas, Oil, CBM	0.014286%	0.011454
		Subtotal Tract 6	0.100000%	0.080180
	Percentage Unleased by Applicant		24.220000%	
	Acereage Unleased by Applicant			19.419596

EXHIBIT E  
 LIST OF CONFLICTING AND UNKNOWN OR UNLOCATABLE OWNERS/CLAIMANTS THAT REQUIRE ESCROW  
 ROGERS 420 CBM UNIT F-37  
 VGOB DOCKET NO. 10-0921-2800

The following Tracts involve Unlocatable Heirs Requiring Escrow

		<u>INTEREST</u> <u>WITHIN</u> <u>UNIT</u>	<u>GROSS</u> <u>ACREAGE</u> <u>IN UNIT</u>
<u>Tract 6</u>	Bonnie Fritz		
(0.10%)	(Address Unknown)	0.003571%	0.002864
Subtotal Tract 6		0.003571%	0.002864
Tract 6		0.003571%	
Total Interests Requiring Escrow		0.003571%	

INSTRUMENT #150000882  
 RECORDED IN THE CLERK'S OFFICE OF  
 BUCHANAN COUNTY ON  
 JUNE 3, 2015 AT 11:41AM

BEVERLY S. TILLER, CLERK  
 RECORDED BY: GGB